



Timothy V Tincknell, FACHE
(773) 278-4403 x232
timothy.tincknell@davita.com

2484 N Elston Ave
Chicago, IL 60647
Fax: (866) 586-3214
www.davita.com

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FEDERAL EXPRESS

Michael Constantino
Illinois Health Facilities and Services Review
Board
525 West Jefferson Street, 2nd Floor
Springfield, Illinois 62761

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**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Re: Annual Progress Report –Whiteside Dialysis (Proj. No. 16-051)

Dear Mr. Constantino:

Pursuant to Section 1130.760 of the Illinois Health Facilities and Services Review Board ("HFSRB") rules, I am writing on behalf of DaVita Inc. and Renal Treatment Centers-Illinois Inc. (the "Permit Holders") to submit the annual progress report for Whiteside Dialysis (Project No. 16-051). As you are aware, on March 14, 2017, HFSRB approved the Permit Holders' certificate of need application for the relocation of Whiteside Dialysis (the "Project"). Pursuant to Section 1130.760, the Permit Holders submit the following information regarding the progress of Project Permit #16-051.

1. Status of the Project

The Project was obligated on July 5, 2017 through the execution of the construction contract for the dialysis facility. Shell construction was started by the Developer on August 21, 2017 and was 100% complete on February 16, 2018. The interior build out was started on October 23, 2017 and is 100% complete. The Certificate of Occupancy was received on February 20, 2018 and the facility's first treatment date is expected to be April 28, 2018.

2. Costs Incurred to Date

To date, the Permit Holders have incurred \$2,421,121 in project costs.

| PROJECT COSTS | Approved | Expended |
|---|--------------------|--------------------|
| New Construction Contracts | \$1,281,775 | \$819,441 |
| Contingencies | \$110,000 | \$0 |
| A & E Fees | \$107,625 | \$145,064 |
| Consulting & Other Fees | \$60,501 | \$7,684 |
| Moveable Equipment | \$606,524 | \$446,703 |
| Fair Market Value of Leased Space & Equipment | \$1,002,229 | \$1,002,229 |
| Other Costs to be Capitalized | \$0 | \$0 |
| Net Book Value of Existing Equipment | | |
| Estimated Total Project Cost | \$3,168,654 | \$2,421,121 |

3. Sources of Funds

The project will be financed through \$3,168,654 in cash and cash equivalents.

4. Anticipated Completion Date

The anticipated completion date for the Project is March 31, 2019.

If you need any additional information or have any questions regarding the status of the project, please feel free to contact me.

Sincerely,



Timothy V. Tincknell

cc: Mary J. Anderson, DaVita Inc.
Lynanne Hike, DaVita Inc.
Jim Burke, DaVita, Inc.
Anne Cooper, Polsinelli PC